

City Council Report

Agenda Date: 6/26/2019, Item No. 55

Workers' Compensation Bill Review Services Contract (Ordinance S-45880)

Request to authorize the City Manager, or his designee, to enter into a contract with Corvel to provide workers' compensation bill review services. Further request authorization for the City Controller to disburse all funds related to this item over the life of the contract, as necessary. The aggregate contract value including all option years will not exceed \$1,200,000 per year. Funding for this contract is available in the Workers' Compensation Program Trust Account.

Summary

A Request for Proposals (RFP) for Workers' Compensation Bill Review services was conducted in accordance with Administrative Regulation 3.10. Bill Review Services include reviewing and re-pricing bills associated with medical and indemnity benefits payments for City of Phoenix employees who have sustained an injury arising out of or in the course of their work, while employed with the City.

Procurement Information

An RFP for Workers' Compensation Bill Review services was issued on April 30, 2019, with a deadline of May 21, 2019, to submit responses. In addition to the solicitation post on the City of Phoenix website, direct email notification was sent to vendors who submitted in the past, vendors who stated their interest, and vendors who requested information from Human Resources.

Five proposals were received and found to be responsive; and, therefore submitted to the RFP selection committee (three employees from Human Resources, one representative of LIUNA 777, and one representative of PLEA) for evaluation and selection.

The RFP Selection Committee met on June 3, 2019, to review and evaluate proposals from the following: CCMSI, Corvel, Innovative Claims Strategies, LLC, InterMed Cost Containment Services, and Rising Medical Solutions. Proposals were scored based on the following criteria: qualifications and experience; other qualifications; and pricing.

After much discussion, the Committee selected Corvel for the following reasons: ability to meet the scope of work, industry experience, and price. Based on the information

provided above and the recommendation of the selection committee, staff is recommending approval to enter into contract negotiations with Corvel.

The scores, out of 1,000 available points, for the top three proposers are:

Corvel: 956 CCMSI: 860 Rising Medical Solutions: 822

Contract Term

The initial contract term will be three years, effective on about July 1, 2019, with the option to renew for two additional years in one-year increments, which may be exercised by the City Manager or his designee.

Financial Impact

The aggregate contract value including all option years will not exceed \$1,200,000 per year. Funding for this contract is available in the Workers' Compensation Program Trust Account.

Responsible Department

This item is submitted by Acting Deputy City Manager Toni Maccarone and the Human Resources Department.